

**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

1. (Withdrawn) A method of screening compounds for cholesterol modulating activity, comprising:
  - (a) contacting one or more test agents with one or more cells; and
  - (b) determining whether the one or more test agents has an effect on cholesterol activity, cholesterol concentration or both in a membrane of the one or more cells.
2. (Withdrawn) The method of claim 1, wherein (b) comprises contacting the one or more cells with a lytic compound, wherein the lytic compound causes perforation or lyses of the membrane of the one or more cells when the cholesterol activity, cholesterol concentration or both of the membrane of the one or more cells reaches a level at or above a threshold cholesterol level.
3. (Withdrawn) The method of claim 1, further comprising performing (a) and (b) one or more times with different test agents.
4. (Withdrawn) The method of claim 3, wherein the different test agents are screened simultaneously.
5. (Withdrawn) The method of claim 1, further comprising:
  - (c) increasing or decreasing the cholesterol content of the membrane by contacting the one or more cells with a cholesterol modulating compound.

6. (Withdrawn) The method of claim 5 wherein (c) is performed prior to (a), simultaneous with (a) or subsequent to (a).
7. (Withdrawn) The method of claim 5, wherein the cholesterol modulating compound comprises a cyclodextrin or cyclodextrin derivative.
8. (Withdrawn) The method of claim 2, wherein the lytic compound comprises a polyene antibiotic.
9. (Withdrawn) The method of claim 2, wherein the lytic compound comprises a lysophosphatide or cholesterol oxidase.
10. (Withdrawn) The method of claim 2, wherein the lytic compound comprises a bacterial toxin.
11. (Withdrawn) The method of claim 1, wherein the one or more cells comprise one or more eukaryotic cells.
12. (Withdrawn) The method of claim 11, wherein the one or more eukaryotic cells comprise one or more mammalian cells.
13. (Withdrawn) The method of claim 11, wherein the one or more cells comprise one or more red blood cells.
14. (Withdrawn) The method of claim 11, wherein the one or more cells comprise one or more fibroblasts.

15. (Withdrawn) The method of claim 11, wherein the one or more cells comprise one or more human cells.
16. (Withdrawn) The method of claim 1, wherein the one or more cells have vigorous cholesterol homeostasis.
17. (Withdrawn) The method of claim 1, wherein (b) comprises measuring the effect, if any, the test agent has on the cholesterol activity, cholesterol concentration or both in the membrane of the one or more cells.
18. (Withdrawn) The method of claim 1, wherein (b) comprises measuring the permeability of the membrane of the one or more cells or the turbidity of the one or more cells.
19. (Withdrawn) The method of claim 1, wherein the one or more cells are *in vitro*.
20. (Withdrawn) The method of claim 1, wherein the one or more cells are *in vivo*.
21. (Withdrawn) The method of claim 1, wherein (b) comprises measuring the cholesterol activity, cholesterol concentration or both in a plasma membrane of the one or more cells.
- 22-25. (Canceled)
26. (Currently Amended) A method of modulating a cholesterol level of a cell comprising contacting one or more cells with an effective amount of octanol, or octanol and one or more of ceramide, diglyceride and lysophosphatidylcholine, for a sufficient time to:  
(a) induce re-localization of cholesterol from the plasma membrane to the endoplasmic reticulum, and/or

(b) induce re-localization of cholesterol from the endoplasmic reticulum to the plasma membrane, and/or

(c) decrease the total cholesterol level

~~thereby increasing or decreasing the cholesterol level of the one or more cells.~~

27. (Original) The method of claim 26 wherein the one or more cells are *in vivo*.
28. (Canceled)
29. (New) The method of claim 26, wherein the one or more cells comprises red blood cells.
30. (New) The method of claim 26, wherein the one or more cells comprises fibroblasts.
31. (New) The method of claim 26, wherein an effective amount of octanol comprises a concentration of at least about 0.1 mM.
32. (New) The method of claim 26, wherein an effective amount of ceramide comprises a concentration of at least about 0.1  $\mu$ M.
33. (New) The method of claim 26, wherein an effective amount of diglyceride comprises a concentration of at least about 0.1  $\mu$ M.
34. (New) The method of claim 26, wherein an effective amount of lysophosphatidylcholine comprises a concentration of at least about 45  $\mu$ M.
35. (New) The method of claim 26, wherein a sufficient time comprises about 1 minute.
36. (New) The method of claim 26, wherein a sufficient time comprises about 1 hour.
37. (New) The method of claim 26, wherein a sufficient time comprises about 1 hour to about 24 hours.

38. (New) The method of claim 26, wherein modulating the cholesterol level of a cell increases or decreases susceptibility of the cell to cholesterol oxidation.
39. (New) The method of claim 26, wherein the modulating the cholesterol level of a cell increases or decreases susceptibility of the cell to a lytic compound.
40. (New) The method of claim 38, wherein the lytic compound comprises a polyene antibiotic.
41. (New) The method of claim 39, wherein the polyene antibiotic is amphotericin B.
42. (New) The method of claim 38, wherein the lytic compound comprises cholesterol oxidase.
43. (New) The method of claim 38, wherein the lytic compound comprises saponin.